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Stimulus could pave roads here

State has 51 projects ready to go, good for 25,000 jobs, if Obama's plan passes

By Doug Abrahms

WASHINGTON -- Adding curbs and gutters to White Horse Road is one of many state infrastructure projects that could be funded under multibillion-dollar proposals Congress and the incoming Obama administration are considering to stimulate the economy.

The state has about \$850 million in ready-to-go road projects, according to American Association of State Highway and Transportation officials, that could be built with additional federal spending.

That would translate into about 25,000 direct and indirect jobs in South Carolina if included in a stimulus package scheduled for debate in January.

The state's Department of Transportation provided a list of 51 construction and repair projects to the national transportation trade group, said Michael Covington, its director of legislative affairs. These have been approved but lack funding, he said.

"We're being prepared in the event that it does happen," Covington said.

Additionally, a \$2.4 billion project for the new Interstate 73, which would run from Myrtle Beach to Rockingham, N.C., could be started within the year, he said. It was not included on the list.

Many stimulus proposals are being floated in Washington, from building roads to creating green jobs, extending unemployment benefits and providing more tax cuts. Congress will start unusually early next year, and Democratic leaders plan to take up a stimulus package that could be worth up to \$700 billion in January.

Gov. Mark Sanford opposes stimulus packages that add to the national debt. Further government borrowing only leads to bigger economic problems, he said, including higher inflation and a sharp drop in the value of the dollar compared with other currencies.

"We are clearly on an unsustainable spending course, and that's been the case for a long time," he said.

Sanford said it was too early to say whether South Carolina would accept federal money for road projects, even if matching state funds weren't required.

While many of Greenville's Washington lawmakers voiced some support for the general idea of higher federal spending on roads and other projects, they question the details. Building roads is a valid governmental function, but the proposals don't say where the federal government would get the money, said Republican Rep. Gresham Barrett.

"I know there are tremendous needs throughout this nation," he said. "But how is it going to be structured and how is it going to be paid for? If it's writing a blank check, I'm not in favor of it."

The U.S. economy is in a unique situation, said Rep. Bob Inglis of Travelers Rest. Sending rebate

checks to taxpayers won't boost the economy because many consumers will use the money to pay down mortgage or other debt instead of buying goods.

Inglis has not taken a position because the Democrats have not drafted a concrete plan.

"I'm not rejecting stimulus packages out of hand," he said. "I am very wary of them because of the deficit impact."

Sen. Lindsey Graham, R-S.C., expects some stimulus package to pass Congress early next year but would like to see some tax-cut provisions added to help small businesses. These include investment tax credits, accelerated depreciation for equipment purchases and reduction in capital-gains taxes to spur businesses to buy equipment and hire workers, he said.

"If you want sustained job creation, you need to give people a reason to invest in business expansion," he said. These provisions "will make it a lot easier for Republicans to sign on."

Sen. Jim DeMint, R-S.C., opposes a stimulus package based on spending, especially if it uses borrowed money, said spokesman Wesley Denton.

But many Washington lawmakers have expressed support for road projects, said Tony Dorsey, a spokesman for the state transportation group, although other groups are lobbying for federal funds, including those advocating for renewable energy projects.

"Green (power) is good, but the kind of green this economy needs is payroll green," he said. "This is a bailout for the American worker and it's about time."
